

Trends in Wisconsin Home Health

1987-1997

Bureau of Health Information
Division of Health Care Financing
Wisconsin Department of Health and Family Services

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December 1999

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Introduction

Few industries in the U.S. are as profoundly affected by government policy as health care. National and state governments account for almost half of all U.S. health care expenditures each year. As a result, changes in government policy often determine what happens in health care as a whole.

Home health care is no exception. A rapid expansion in home health care began nationwide in 1989 when changes in Medicare regulations expanded eligibility and eliminated a cap on number of visits.¹ As the fastest-growing health care sector over the last decade, the home health industry has experienced substantial increases in the number of provider agencies, the number of patients served, and agency revenues.

About this Report

Trends in Wisconsin Home Health, 1987-1997 presents a series of graphs and tables that illustrate aspects of Wisconsin home health care over these 11 years. In most cases, variables are tabulated by agency ownership type: governmental (generally run by a county or city health department), nonprofit, or proprietary (for-profit).

All information in this publication is based on *self-reported* data from the Wisconsin Annual Survey of Home Health Agencies. This survey is a cooperative effort between Wisconsin-licensed home health agencies; the Health Information and Medicaid bureaus in the Division of Health Care Financing; and the Bureau of Quality Assurance in the Division of Supportive Living.

A few home health agencies did not submit certain categories of data. For example, two of the 188 home health agencies in 1993 did not submit financial data. Thus, patient counts, agency counts, or financial totals may differ from one table to another. In every case, the percentages or rates are based on the true sum of aggregated data as reported by the agencies.

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Selected Findings

- The total number of home health agencies licensed in Wisconsin increased by 34 (22 percent) from 1987 to 1997.
- Between 1987 and 1997 the number of governmental home health agencies declined by 13 (24 percent), nonprofit agencies increased by 21 (35 percent), and proprietary agencies increased by 26 (60 percent).
- Of the 157 home health agencies licensed in Wisconsin in 1987, 40 (25 percent) had closed and 8 (5 percent) had changed ownership by 1997.
- The average number of home health visits per patient increased 35 percent, from 40 in 1987 to 54 in 1997.
- The average number of hours per home health visit declined from 2.3 hours per visit in 1987 to 1.7 hours in 1997.
- The average number of home health visits per patient by governmental agencies doubled from 1987 to 1997. The average number of visits per patient increased 56 percent for nonprofit agencies, but only 7 percent for proprietary agencies. Still, proprietary agencies generally made twice as many visits per patient as governmental and nonprofit agencies.
- Between 1987 and 1997, the average number of patients served decreased among full-time RNs (by 27 percent) and full-time LPNs (by 46 percent), but increased among part-time RNs (by 8 percent) and part-time LPNs (by 226 percent).
- Both full-time and part-time home health aides increased the average number of patients served (by 38 percent and 138 percent, respectively).
- Since 1994, the annual percent increase in the number of full-time equivalent employees in Wisconsin home health agencies has been below the percent increase in home health patients.
- From 1987 to 1997, the number of full- and part-time RNs employed by Wisconsin home health agencies increased by 121 and 68 percent, respectively. During the same period, the number of part-time LPNs and home health aides decreased by 38 and 7 percent.
- Home health utilization rates have increased rapidly since 1992, especially among the population under age 65.
- The number of home health patients in Wisconsin increased by 57 percent between 1987 and 1997.
- The number of patients served by governmental agencies decreased 32 percent during this period. The number served by proprietary agencies increased 47 percent, while the number served by nonprofit agencies doubled.

-
- In 1997, 42 percent of home health agencies were organized as nonprofits; these agencies served 71 percent of the patients. In contrast, governmental and proprietary agencies had disproportionately fewer patients compared to their representation in the home health industry.
 - In 1987, there were twice as many Wisconsin home health patients whose care was paid for by Medicare than Medicaid. In 1997, the ratio increased to 4.5 Medicare patients for each Medicaid patient.
 - The number of home health patients aged 85 and older increased 65 percent between 1987 and 1997. During this time, the number of Wisconsin adults in this age group increased only 17 percent.
 - Between 1987 and 1997, the total number of home health patients increased 57 percent, the number of patients under age 55 increased 175 percent, and the number of patients aged 85 and older increased 65 percent.
 - The percent of home health patients served by governmental agencies declined from 16 percent in 1987 to 9 percent in 1997. During the same period, the percent served by nonprofit agencies increased 9 percentage points, and the percent served by proprietary agencies decreased 2 points.
 - Home health agencies had an average loss of about \$62,000 in 1997, compared to an average profit of \$44,500 in 1990.
 - Based on self-reported revenues and expenditures, 1990 was the most profitable year in the past decade for home health agencies, and 1997 was the least profitable.
 - As reported by home health agencies, Wisconsin Medicaid payments for home health care reached a record high of nearly \$79 million in 1991. Wisconsin made changes in its Medicaid home health care policies in 1992; since then, Medicaid payments for home health care services have ranged from \$56 million to \$65 million annually.
 - Medicare payments to Wisconsin home health agencies increased 560 percent between 1987 and 1997. Medicaid payments increased by 110 percent during the same period.

Table of Contents

Introduction	1
Selected Findings	3
Agency Trends	
Figure 1. Number of Home Health Agencies, Wisconsin 1987-1997	7
Table 1. Number and Percent of Home Health Agencies by Agency Ownership, Wisconsin 1987-1997	7
Figure 2. Number of Home Health Agencies by Agency Ownership, Wisconsin 1987-1997	8
Figure 3. Average Number of Home Health Visits per Patient, Wisconsin 1987-1997	8
Figure 4. Average Number of Hours per Home Health Visit, Wisconsin 1987-1997	9
Table 2. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, All Visits, Wisconsin 1987-1997	9
Table 3. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, Skilled Nursing Visits, Wisconsin 1987-1997	10
Table 4. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, Home Health Aide Visits, Wisconsin 1987-1997	10
Table 5. Average Number of Patients Served by Each Full-Time and Part-Time Registered Nurse, Licensed Practical Nurse and Home Health Aide, Wisconsin, 1987-1997	11
Figure 5. Percent Change in the Number of Home Health Patients and Full-Time Equivalent Employees, Wisconsin 1988-1997	11
Table 6. Number of Part-Time and Full-Time Registered Nurses, Licensed Practical Nurses and Home Health Aides Employed by Home Health Agencies, Wisconsin 1987-1997	12
Table 7. Number of Home Health Admissions from and Discharges to Selected Settings, Wisconsin 1987-1997	13
Patient Trends	
Figure 6. Number of Home Health Patients, Wisconsin 1987-1997	15
Table 8. Home Health Utilization Rates by Age Group and Sex, Wisconsin 1992-1997	15
Table 9. Number and Percentage of Home Health Patients by Agency Ownership, Wisconsin 1987-1997	16
Figure 7. Percentage of Home Health Patients by Agency Ownership, Wisconsin 1987-1997	16
Figure 8. Home Health Patients With Medicare or Medicaid as a Source of Payment, Wisconsin 1987-1997	17

Figure 9.	Number of Home Health Patients Aged 85 and Older, Wisconsin 1987-1997	17
Table 10.	Number and Percent of Home Health Patients by Age, Wisconsin 1987-1997	18
Figure 10.	Percent of Home Health Patients under Age 55, Wisconsin 1987-1997	18
Figure 11.	Number of Home Health Patients by Sex, Wisconsin 1987-1997	19
Figure 12.	Number of Home Health Patients with Chronic Conditions, Wisconsin 1987-1997	19
Figure 13.	Number of Patients Receiving Home Health Care on a Typical Day, Wisconsin 1988-1998	20
Table 11.	Number and Percent of Home Health Patients Receiving Care on a Typical Day by Agency Ownership, Wisconsin 1988-1998	20

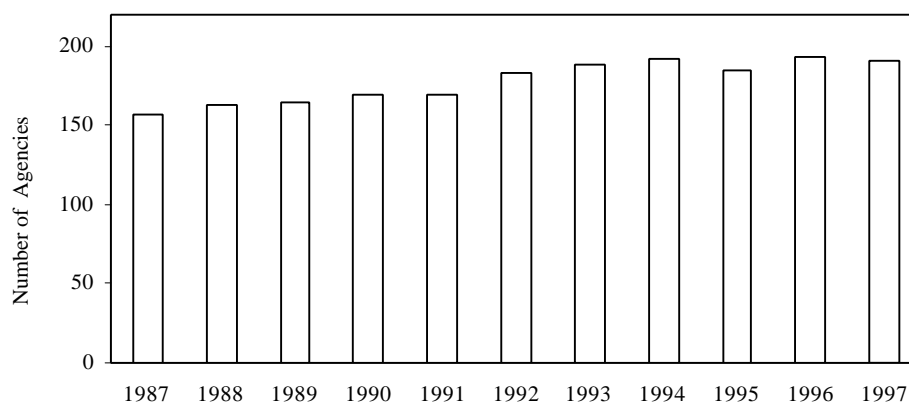
Trends in Agency Revenue and Expenditures

Figure 14.	Average Net Revenue per Home Health Agency, Wisconsin 1987-1997.....	21
Figure 15.	Average Net Revenue of Home Health Agencies by Agency Ownership, Wisconsin 1987-1997	22
Table 12.	Total Revenue, Total Expense, and Net Revenue of Home Health Agencies by Agency Ownership for Selected Years, Wisconsin.....	22
Figure 16.	Medicaid Payments as Reported by Home Health Agencies, Wisconsin 1987-1997	23
Figure 17.	Medicaid Payment per Home Health Patient, as Reported by Home Health Agencies, Wisconsin 1987-1997.....	23
Figure 18.	Medicare and Medicaid Payments as Reported by Home Health Agencies, Wisconsin 1987-1997	24

Agency Trends

- The total number of home health agencies licensed to serve Wisconsin residents increased by 34 (22 percent) from 1987 to 1997 (Figure 1).
- Between 1987 and 1997, the number of governmental home health agencies declined by 13 (24 percent), nonprofit agencies increased by 21 (35 percent), and proprietary agencies increased by 26 (60 percent). (See Table 1.)
- Of the 157 home health agencies licensed in Wisconsin in 1987, 40 (25 percent) had closed and 8 (5 percent) had changed ownership by 1997 (Table 1).

Figure 1. Number of Home Health Agencies, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Table 1. Number and Percent of Home Health Agencies by Agency Ownership, Wisconsin 1987-1997

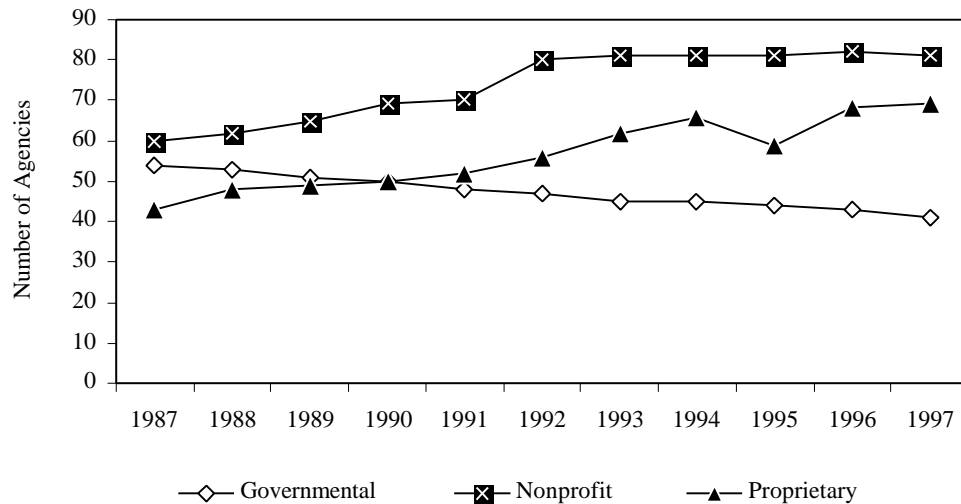
Year	All Agencies	Governmental		Nonprofit		Proprietary	
		Agencies	Percent	Agencies	Percent	Agencies	Percent
1987	157	54	34%	60	38%	43	27%
1988	163	53	32	62	38	48	29
1989	165	51	31	65	39	49	30
1990	169	50	30	69	41	50	30
1991	170	48	28	70	41	52	31
1992	183	47	26	80	44	56	31
1993	188	45	24	81	43	62	33
1994	192	45	23	81	42	66	35
1995	184	44	24	81	44	59	32
1996	193	43	22	82	43	68	35
1997	191	41	21	81	42	69	36

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Agency Trends

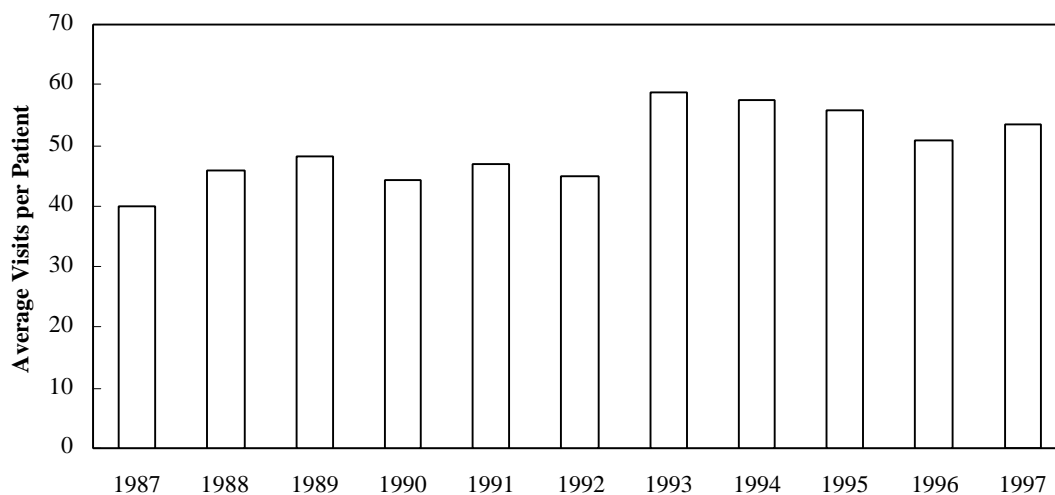
- Since 1992, the number of nonprofit agencies has remained stable, the number of governmental agencies has declined, and the number of proprietary agencies has increased (Figure 2).
- The average number of home health visits per patient increased 35 percent, from 40 in 1987 to 54 in 1997 (Figure 3).

Figure 2. Number of Home Health Agencies by Agency Ownership, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Figure 3. Average Number of Home Health Visits per Patient, Wisconsin 1987-1997

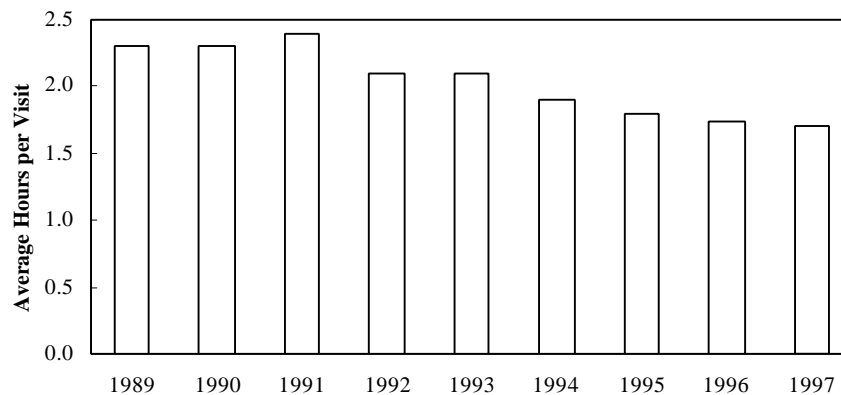


Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Agency Trends

- The average number of hours per visit declined from 2.3 hours per visit in 1987 to 1.7 hours in 1997 (Figure 4).
- The average number of home health visits per patient by governmental agencies doubled from 1987 to 1997 (Table 2). The average number of visits increased 56 percent for nonprofit agencies, but only 7 percent for proprietary agencies. Still, proprietary agencies generally made twice as many visits per patient as governmental and nonprofit agencies.
- Between 1989 and 1997 (see note, Table 2), the average number of hours per visit decreased 29 percent for governmental agencies, 25 percent for nonprofit agencies, and 21 percent for proprietary agencies (Table 2).

Figure 4. Average Number of Hours per Home Health Visit, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: In 1992, Medicaid reimbursement for home health aides and personal care workers changed from an hourly rate to a per-visit rate. Reimbursement for travel, documentation time, and nurse supervision was incorporated into this per-visit rate.

Table 2. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, All Visits, Wisconsin 1987-1997

ALL VISITS								
Year	Statewide		Ownership of Agency					
	Visits per Patient	Hours per Visit	Governmental	Nonprofit	Proprietary	Visits per Patient	Hours per Visit	Visits per Patient
1987	39.9		24.1	27.2	92.8			
1988	45.9		28.6	32.6	99.8			
1989	48.1	2.3	27.9	35.8	101.7	2.0	2.8	
1990	44.4	2.3	27.4	32.5	97.9	1.9	2.8	
1991	46.9	2.4	31.7	35.8	89.2	1.9	2.9	
1992	45.0	2.1	31.9	38.0	74.7	1.9	2.7	
1993	58.7	2.1	41.3	52.8	87.4	1.9	2.4	
1994	57.6	1.9	42.0	50.5	88.2	1.7	2.3	
1995	55.9	1.8	45.4	50.1	81.5	1.6	2.2	
1996	50.8	1.7	47.2	43.7	79.7	1.6	2.2	
1997	53.5	1.7	48.7	42.3	99.2	1.5	2.2	

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: A question about "hours per visit" was not included in the 1987 and 1988 surveys.

Agency Trends

- For governmental agencies, the average number of skilled nursing visits per patient increased from 11 to 18 between 1987 and 1997 (Table 3). For nonprofit and proprietary agencies, average visits per patient increased until 1991, then began to decline.
- Among proprietary agencies, the average number of home health aide visits per patient has declined from an all-time high of 117 visits per patient in 1991 to 80 in 1997 (Table 4).
- The average number of home health aide visits per patient increased among governmental and nonprofit agencies, though remained well below the average number of visits for proprietary agencies (Table 4).

Table 3. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, Skilled Nursing Visits, Wisconsin 1987-1997

SKILLED NURSING VISITS								
Year	Statewide		Ownership of Agency					
	Visits per Patient	Hours per Visit	Governmental Visits per Patient	Governmental Hours per Visit	Nonprofit Visits per Patient	Nonprofit Hours per Visit	Proprietary Visits per Patient	Proprietary Hours per Visit
1987	14.4		11.2		11.9		27.3	
1988	15.6		12.1		12.9		28.6	
1989	16.4	1.9	13.0	1.8	14.3	1.6	26.9	2.3
1990	19.0	1.8	14.4	1.7	16.4	1.7	33.0	2.0
1991	20.8	2.1	15.7	2.6	17.9	1.6	33.8	2.4
1992	19.7	1.8	15.5	1.6	17.3	1.7	31.2	2.1
1993	19.3	1.6	15.5	1.9	17.4	1.5	28.0	1.6
1994	19.0	1.2	15.6	1.2	17.3	1.0	27.0	1.7
1995	18.6	1.3	16.8	1.1	18.0	1.2	22.1	1.7
1996	16.5	1.2	17.7	1.1	16.1	1.2	17.3	1.2
1997	17.8	1.2	18.0	1.1	16.8	1.1	21.9	1.5

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: A question about "hours per visit" was not included in the 1987 and 1988 surveys.

Table 4. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, Home Health Aide Visits, Wisconsin 1987-1997

HOME HEALTH AIDE VISITS								
Year	Statewide		Ownership of Agency					
	Visits per Patient	Hours per Visit	Governmental Visits per Patient	Governmental Hours per Visit	Nonprofit Visits per Patient	Nonprofit Hours per Visit	Proprietary Visits per Patient	Proprietary Hours per Visit
1987	48.4		29.7		29.7		98.5	
1988	52.2		30.6		30.3		111.1	
1989	51.6	2.4	31.2	1.6	32.1	2.0	105.4	2.9
1990	54.7	2.6	33.4	1.6	37.5	2.0	107.1	3.2
1991	63.1	2.7	36.6	2.9	44.8	2.1	117.1	3.2
1992	55.3	2.4	33.5	1.6	46.4	2.1	90.8	3.0
1993	48.6	2.2	36.0	1.7	42.5	2.0	74.2	2.6
1994	48.9	1.9	36.7	1.4	41.3	1.7	82.2	2.3
1995	50.4	1.8	39.4	1.3	43.2	1.7	85.2	2.2
1996	52.0	1.8	40.7	1.3	45.9	1.8	86.9	2.1
1997	52.3	1.8	43.2	1.2	45.9	1.6	80.4	2.3

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: A question about "hours per visit" was not included in the 1987 and 1988 surveys.

Agency Trends

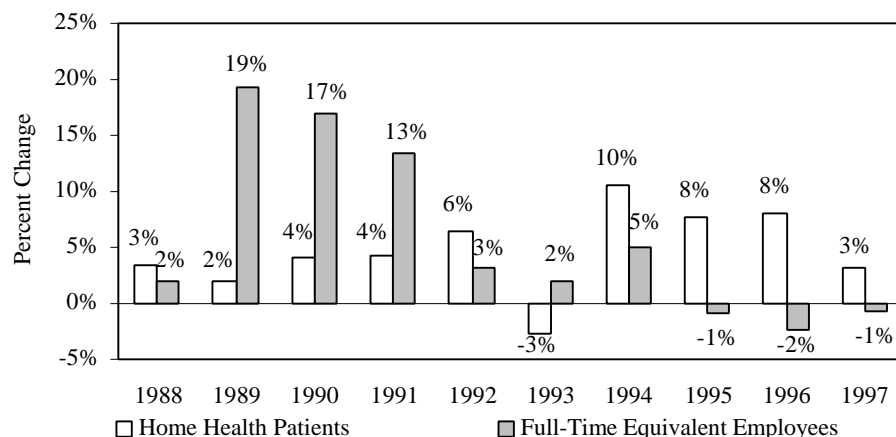
- Between 1987 and 1997, the average number of patients served decreased among full-time RNs (by 27 percent) and full-time LPNs (by 46 percent), but increased among part-time RNs (by 8 percent) and part-time LPNs (by 226 percent). (See Table 5.)
- Both full-time and part-time home health aides increased the average number of patients served (by 38 percent and 138 percent, respectively). (See Table 5.)
- Since 1994, the annual percent increase in the number of full-time equivalent employees in Wisconsin home health agencies has been below the percent increase in home health patients (Figure 5). Although home health patients increased by 3 to 8 percent annually from 1995 to 1997, full-time equivalent employees actually declined by 1 to 2 percent in each of those years.

Table 5. Average Number of Patients Served by Each Full-Time and Part-Time Registered Nurse (RN), Licensed Practical Nurse (LPN) and Home Health Aide, Wisconsin, 1987-1997

Year	Patients Served Per Full-Time R.N.	Patients Served Per Part-Time R.N.	Patients Served Per Full-Time L.P.N.	Patients Served Per Part-Time L.P.N.	Patients Served Per Full-Time HH Aide	Patients Served Per Part-Time HH Aide
1987	165	49	673	87	97	21
1988	161	48	588	95	105	21
1989	125	48	451	102	86	21
1990	114	46	435	93	86	20
1991	112	49	341	117	69	20
1992	102	42	480	120	93	22
1993	103	39	467	118	96	24
1994	96	38	634	124	114	26
1995	103	44	802	177	129	28
1996	109	49	662	202	154	29
1997	120	53	365	284	134	50

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Figure 5. Percent Change in the Number of Home Health Patients and Full-Time Equivalent Employees, Wisconsin 1988-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Agency Trends

- From 1987 to 1997, the number of full- and part-time RNs employed by Wisconsin home health agencies increased by 121 and 68 percent, respectively (Table 6). During the same period, the number of part-time LPNs and home health aides decreased by 38 and 7 percent.
- Home health aides, as a percentage of all home health employees, have been decreasing in the last 11 years.

Table 6. Number of Part-Time and Full-Time Registered Nurses (RNs), Licensed Practical Nurses (LPNs), And Home Health Aides Employed by Home Health Agencies, Wisconsin 1988-1998

Year	Total (100%)	Registered Nurses	Percentage Of Staff	Licensed Practical Nurses	Percentage of Staff	Home Health Aides	Percentage Of Staff
PART-TIME							
1987	5,634	1,130	20%	637	11%	2,629	47%
1988	5,757	1,186	21	598	10	2,678	47
1989	6,310	1,203	19	572	9	2,725	43
1990	6,908	1,319	19	651	9	3,073	44
1991	6,867	1,299	19	538	8	3,124	45
1992	7,735	1,490	19	546	7	2,943	38
1993	7,526	1,672	22	553	7	2,724	36
1994	8,101	1,873	23	584	7	2,805	35
1995	7,750	1,768	23	439	6	2,779	36
1996	7,793	1,706	22	416	5	2,878	37
1997	7,766	1,895	24	395	5	2,455	32
FULL-TIME							
1987	1,447	335	23%	82	6%	566	39%
1988	1,432	354	25	97	7	541	38
1989	1,867	465	25	129	7	678	36
1990	2,085	531	25	139	7	700	34
1991	2,807	563	20	185	7	913	33
1992	2,792	609	22	136	5	701	25
1993	2,783	637	23	140	5	684	25
1994	2,907	749	26	114	4	633	22
1995	3,016	754	25	97	3	603	20
1996	2,867	770	27	127	4	547	19
1997	2,911	742	25	125	4	626	22

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: This table covers the years 1988-1998 because it reflects the number of employees in April of the year following the survey year. Percents in each row do not add to 100 because the total column shows all employees.

Agency Trends

- The percent of home health admissions from private residences decreased from 28 percent in 1987 to 24 percent in 1997 (Table 7). Admissions from nursing homes increased from 4 percent in 1987 to 7 percent in 1997.
- The percent of discharges to general hospitals decreased from 19 percent in 1987 to 15 percent in 1997. The percent of discharges to private residences increased from 60 percent in 1987 to 70 percent in 1997. Discharges to nursing homes remained the same over the years.

Table 7. Number of Home Health Admissions from and Discharges to Selected Settings, Wisconsin 1987-1997

Admissions from					
Year	Total Admissions	Private Residence	General Hospital	Nursing Home	Other
1987	47,955	28%	57%	4%	11%
1988	51,002	25	58	4	16
1989	50,744	25	57	4	16
1990	52,744	25	58	4	12
1991	54,768	27	59	4	10
1992	54,572	23	60	5	12
1993	58,555	25	59	5	11
1994	64,961	25	57	6	13
1995	71,054	23	60	7	10
1996	79,151	22	60	7	10
1997	80,999	24	57	7	11
Discharges to					
Year	Total Discharges	Private Residence	General Hospital	Nursing Home	Other
1987	46,268	60%	19%	5%	16%
1988	49,116	61	16	5	18
1989	48,344	61	16	6	17
1990	50,237	62	17	6	15
1991	53,057	63	17	6	14
1992	54,800	61	19	5	14
1993	57,033	64	20	5	11
1994	63,222	66	18	6	10
1995	68,822	68	16	5	11
1996	78,091	69	16	5	10
1997	79,201	70	15	5	10

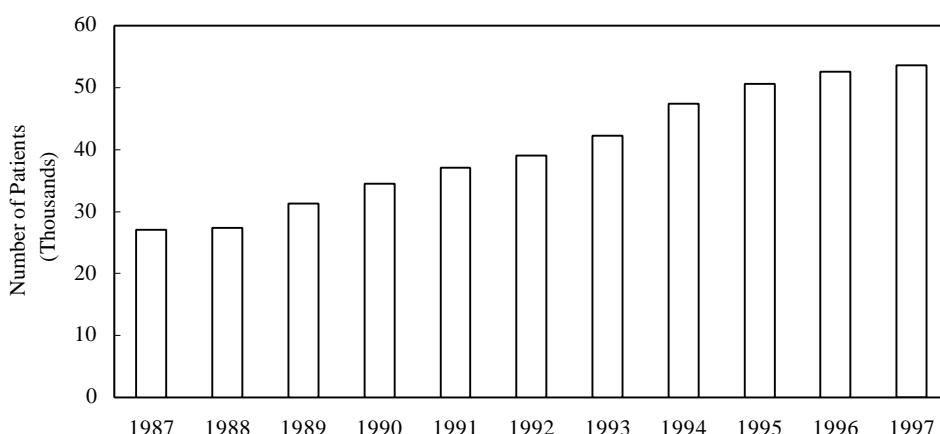
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Row percents may not add to 100 due to rounding.

Patient Trends

- Although the number of home health agencies remained stable after 1993 (See Figure 1, page 7), the number of patients continued to increase (Figure 6).
- Home health utilization rates have increased rapidly since 1992, especially among the population under age 65 (Table 8).
- Males aged 85 and older had higher utilization rates than their female counterparts. In other age groups, females were more likely to use home health services than males (Table 8).

Figure 6. Number of Home Health Patients, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Table 8. Home Health Utilization Rates by Age Group and Sex, Wisconsin 1992-1997

	Utilization Rate for Females				Utilization Rate for Males			
	Under 55	55-64	65+	85+	Under 55	55-64	65+	85+
1992	2.8	3.4	71.3	130.4	3.0	2.6	58.9	154.1
1993	2.4	3.6	76.5	152.7	2.6	2.7	61.9	171.3
1994	4.2	16.2	79.2	150.3	3.0	12.4	63.0	164.7
1995	5.2	16.7	87.2	169.7	3.4	13.2	68.7	192.2
1996	7.2	16.5	86.0	168.7	4.1	13.4	71.2	202.6
1997	6.6	17.9	89.5	174.3	4.0	15.0	72.0	188.1

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: The utilization rate is the number of patients per 1,000 Wisconsin population in each age group.

Patient Trends

- The number of home health patients in Wisconsin increased by 57 percent between 1987 and 1997 (Table 9).
- The number of patients served by governmental agencies decreased 32 percent during this period. The number served by proprietary agencies increased 47 percent, while the number served by nonprofit agencies doubled.
- In 1997, 42 percent of home health agencies were organized as nonprofits; these agencies served 71 percent of the patients (Figure 7).
- In contrast, governmental and proprietary agencies had disproportionately fewer patients compared to their representation in the home health industry (Figure 7). Twenty-one percent of home health agencies were governmental; they served 11 percent of patients. Thirty-six percent of agencies were proprietary; they served 18 percent of patients.

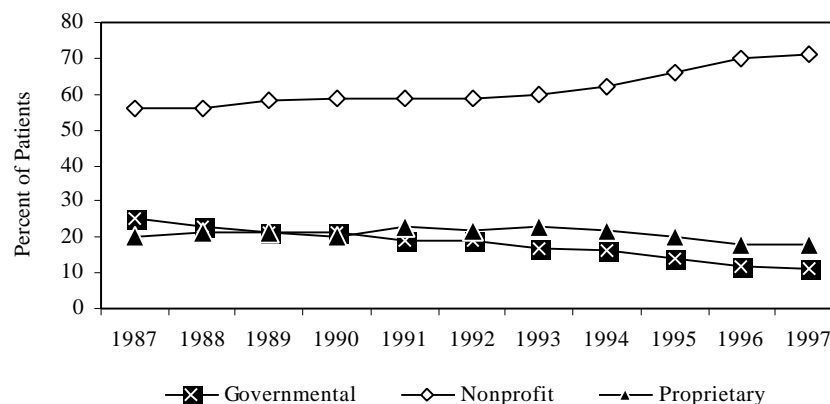
Table 9. Number and Percentage of Home Health Patients by Agency Ownership, Wisconsin 1987-1997

Year	All Patients	Ownership of Agency					
		Governmental		Nonprofit		Proprietary	
		Patients	Percent	Patients	Percent	Patients	Percent
1987	55,183	13,555	25%	30,775	56%	10,853	20%
1988	57,017	13,343	23	31,703	56	11,971	21
1989	58,140	12,275	21	33,480	58	12,385	21
1990	60,518	12,470	21	35,767	59	12,281	20
1991	63,145	11,670	19	37,121	59	14,354	23
1992	65,286	12,273	19	38,413	59	14,600	22
1993	65,402	11,148	17	39,448	60	14,806	23
1994	72,257	11,411	16	44,725	62	16,261	22
1995	77,783	10,716	14	51,126	66	15,941	20
1996	84,092	9,783	12	58,808	70	15,501	18
1997	86,866	9,123	11	61,796	71	15,947	18

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Row percents may not add to 100 due to rounding.

Figure 7. Percentage of Home Health Patients by Agency Ownership, Wisconsin 1987-1997

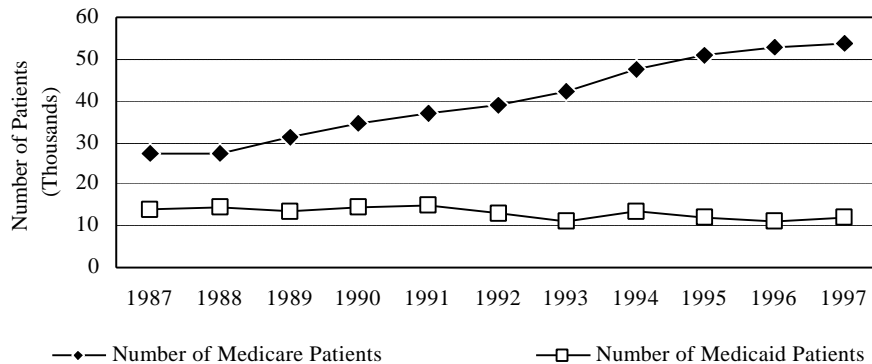


Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Patient Trends

- In 1987, there were twice as many Wisconsin home health patients whose care was paid for by Medicare than Medicaid (Figure 8). In 1997, the ratio increased to 4.5 Medicare patients for each Medicaid patient.
- The number of home health patients with Medicare as a source of payment almost doubled between 1987 and 1997, from 27,100 to almost 53,700 (Figure 8). This number is expected to grow. Although the Federal Balanced Budget Act of 1997 significantly reduced funding for home health care, eligibility requirements remain the same.
- The number of home health patients aged 85 and older increased 65 percent between 1987 and 1997 (Figure 9). During this time, the number of Wisconsin adults in this age group increased only 17 percent.

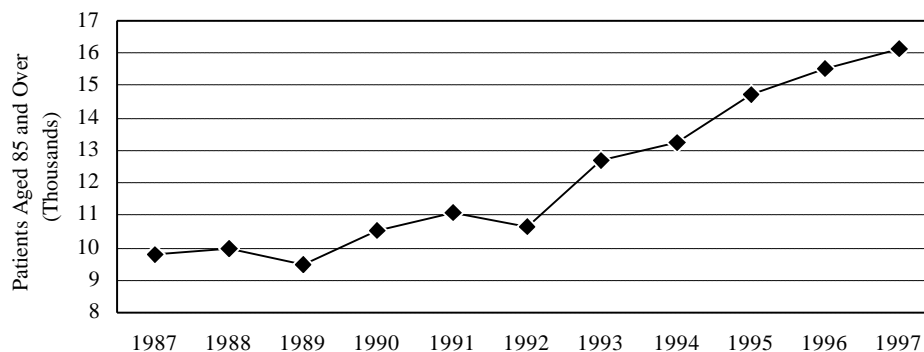
Figure 8. Home Health Patients With Medicare or Medicaid as a Source of Payment, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Notes: Each patient can have more than one source of payment. For example, some patients have both Medicare and Medicaid, and are thus included in both groups shown in this figure. Patients with other sources of payment are not shown.

Figure 9. Number of Home Health Patients Aged 85 and Older, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Patient Trends

- Between 1987 and 1997, the total number of home health patients increased 72 percent, the number of patients under age 55 increased 175 percent, and the number of patients aged 85 and older increased 65 percent (Table 10).
- In 1997, one out of every four home health patients was under age 55, compared to one out of seven in 1987 (Figure 10). Primary diagnoses for younger patients varied widely, with 36 percent listed under the residual category “other conditions” in 1997.

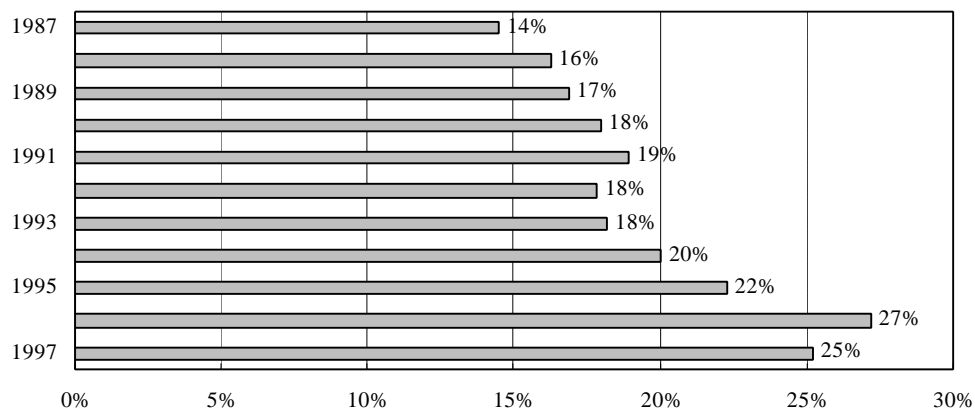
Table 10. Number and Percent of Home Health Patients by Age, Wisconsin 1987-1997

	All Patients	Patients Under 55	Percent Change	Patients 55-64	Percent Change	Patients 65-74	Percent Change	Patients 75-84	Percent Change	Patients 85 +	Percent Change
1987	50,426	7,982		5,001		11,911		15,767		9,801	
1988	57,017	9,269	16%	5,871	17%	13,374	12%	18,529	18%	9,974	2%
1989	55,894	9,820	6	5,848	0	13,301	-1	17,475	-6	9,450	-5
1990	58,276	10,877	11	5,699	-3	12,916	-3	18,257	5	10,527	11
1991	61,923	11,942	10	5,826	2	13,489	4	19,599	7	11,107	6
1992	61,434	11,719	-2	5,649	-3	13,563	1	19,908	2	10,667	-4
1993	65,402	11,875	1	5,592	-1	14,233	5	20,989	5	12,713	19
1994	71,374	14,473	22	6,041	8	15,163	7	22,465	7	13,232	4
1995	77,783	17,308	20	6,204	3	15,873	5	23,686	5	14,712	11
1996	84,092	22,888	32	6,256	1	15,228	-4	24,038	1	15,519	5
1997	86,866	21,926	-4	7,148	14	16,350	7	25,300	5	16,142	4
1987-97 Change	36,440	13,944	175%	2,147	43%	4,439	37%	9,533	60%	6,341	65%

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Notes: The total number of patients (“All Patients”) in this table may differ from that in other tables because some agencies did not report their patients by age.
Counts for 1992 do not include personal care clients.

Figure 10. Percent of Home Health Patients under Age 55, Wisconsin 1987-1997

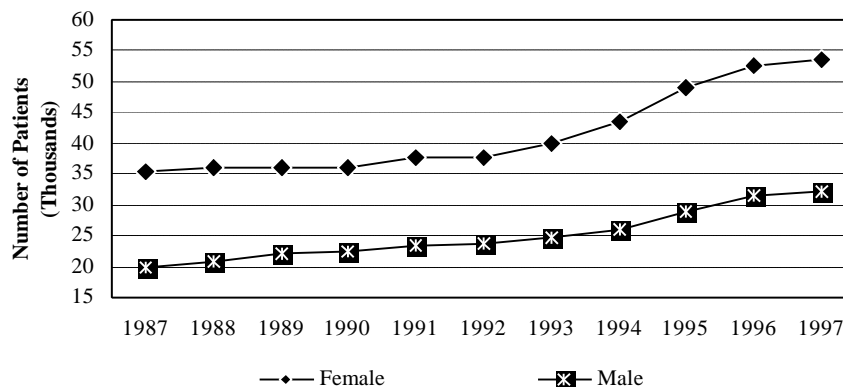


Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Patient Trends

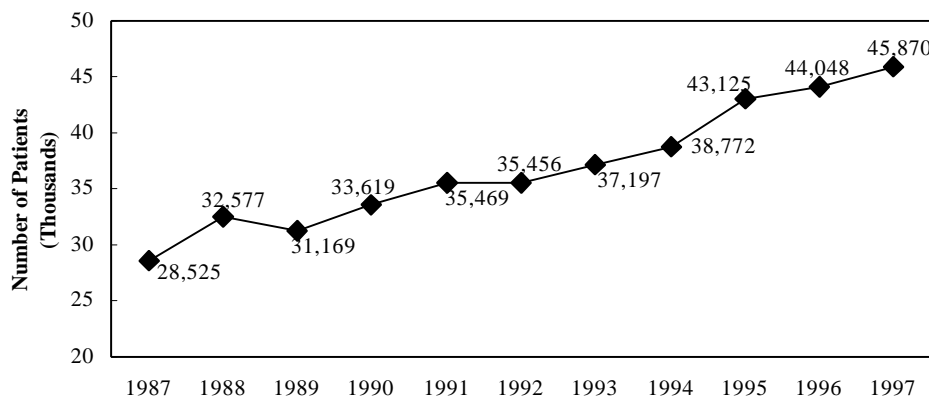
- Females accounted for more than 60 percent of home health patients in each of the last 11 years. Growth rates in the number of both male and female patients were highest between 1992 and 1996, ranging from 4 to 12 percent annually (Figure 11).
- The number of home health patients with chronic conditions increased 61 percent between 1987 and 1997 (Figure 12), about the same as the percent increase (57 percent) in home health patients overall (Table 2, page 9).

Figure 11. Number of Home Health Patients by Sex, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Figure 12. Number of Home Health Patients with Chronic Conditions, Wisconsin 1987-1997



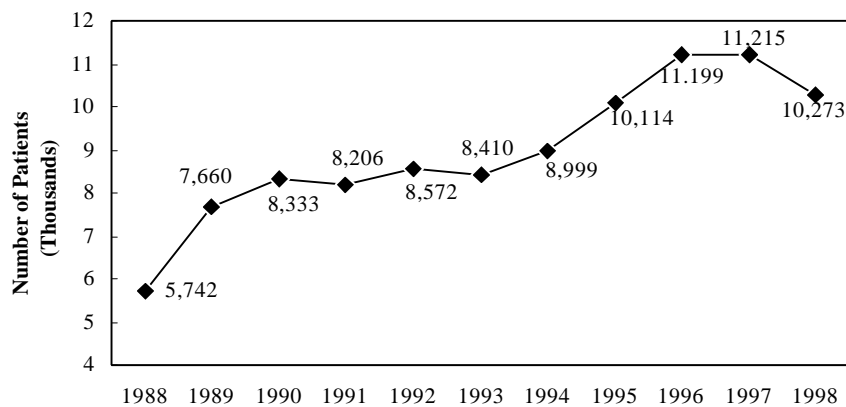
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Chronic conditions in this figure include cardiovascular disease, cancer, respiratory disease, diabetes, arthritis, osteopathies, stroke, central nervous system disorders and multiple sclerosis, cerebral palsy and paralysis, senile dementia and Alzheimer's, congenital anomalies, mental retardation, and HIV infection and AIDS.

Patient Trends

- The number of patients receiving home health care on a typical day increased at an average annual rate of 10 percent between 1988 and 1997. This number declined for the first time in 1998 (Figure 13).
- The percent of all home health patients served by governmental agencies on a typical day declined from 16 percent in 1988 to 9 percent in 1998 (Table 11). During the same period, the percent served by nonprofit agencies increased 9 percentage points, and the percent served by proprietary agencies decreased by 2 points.

Figure 13. Number of Patients Receiving Home Health Care on a Typical Day, Wisconsin 1988-1998



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: This figure covers the years 1988-1998 because it reflects the number of patients on a given day in April (a "typical day") in the year following the "survey year."

Table 11. Number and Percent of Home Health Patients Receiving Care on a Typical Day by Agency Ownership, Wisconsin 1988-1998

Year	Agencies	Statewide Patients	Ownership of Agency		
			Governmental Percent	Nonprofit Percent	Proprietary Percent
1988	155	5,742	16.4%	46.5%	37.1%
1989	163	7,660	18.7	45.5	35.8
1990	165	8,333	15.9	48.8	35.3
1991	169	8,206	16.0	50.6	33.3
1992	170	8,572	14.0	48.4	37.6
1993	183	8,410	13.0	52.6	34.4
1994	187	8,999	12.2	54.4	33.3
1995	192	10,114	11.8	58.4	29.8
1996	183	11,199	13.1	63.4	23.6
1997	193	11,215	12.2	58.8	29.0
1998	191	10,273	9.0	55.9	35.0

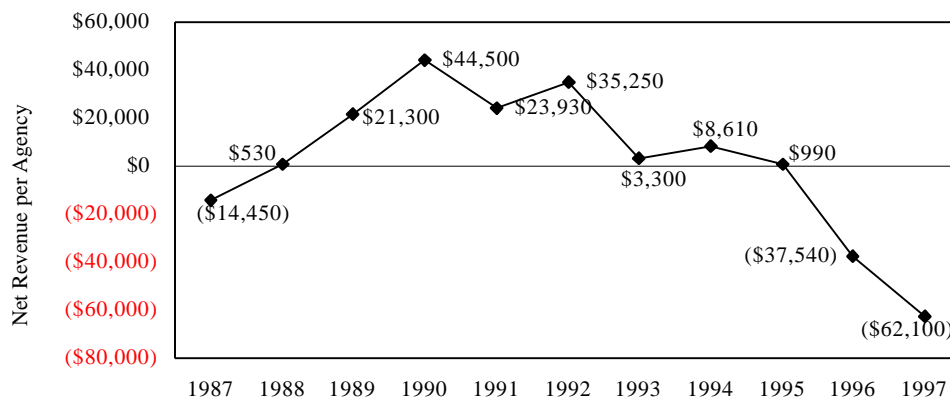
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: This table covers the years 1988-1998 because it reflects the number of patients on a given day in April (a "typical day") in the year following the "survey year".

Trends in Agency Revenue and Expenses

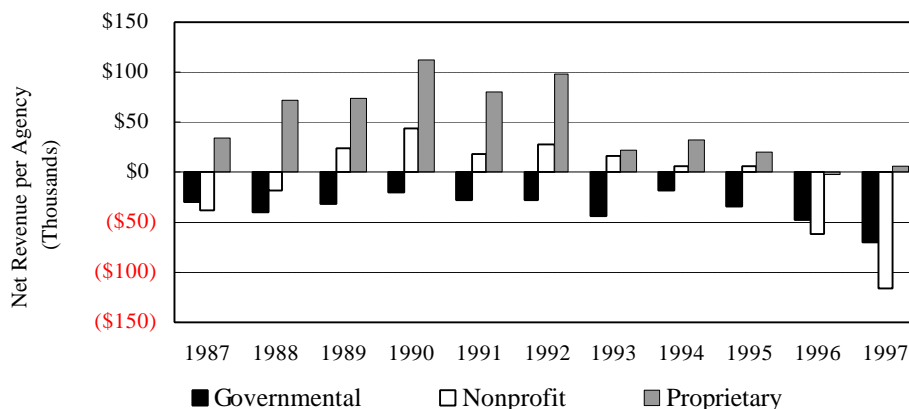
- Home health agencies had an average loss of about \$62,000 in 1997, compared to an average profit of \$44,500 in 1990 (Figure 14).
- Based on self-reported revenues and expenses, 1990 was the most profitable year in the past decade for home health agencies, and 1997 was the least profitable (Figure 15).
- On average, nonprofit agencies reported almost \$45,000 in net revenue in 1990, compared to an average deficit of \$116,000 in 1997 (Figure 15). The average proprietary agency reported net revenue of over \$112,000 in 1990, compared to about \$6,000 in 1997. Government agencies reported net losses throughout this period.

Figure 14. Average Net Revenue per Home Health Agency, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Figure 15. Average Net Revenue of Home Health Agencies by Agency Ownership, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

- Among home health agencies, both revenues and expenses reached new highs in 1997 (Table 12). The \$254.1 million revenues, however, were 5 percent less than the \$266 million expenses.
- The average proprietary agency realized a small profit in 1997, after reporting an average deficit in 1996.
- Governmental agencies, most of which are located in rural areas, reported a record loss of \$2.9 million in 1997.

Table 12. Total Revenue, Total Expense, and Net Revenue of Home Health Agencies by Agency Ownership for Selected Years, Wisconsin

TOTAL REVENUE

Year	Statewide		Ownership of Agency					
			Governmental		Nonprofit		Proprietary	
	Agencies	Revenue (Millions)	Agencies	Revenue (Millions)	Agencies	Revenue (Millions)	Agencies	Revenue (Millions)
1987	154	\$91.3	54	\$11.8	57	\$36.7	43	\$42.8
1991	167	172.4	47	16.9	69	79.9	51	75.6
1996	193	236.6	43	22.8	82	142.1	68	71.6
1997	191	254.1	41	23.1	81	150.1	69	80.9

TOTAL EXPENSE

Year	Statewide		Ownership of Agency					
			Governmental		Nonprofit		Proprietary	
	Agencies	Expense (Millions)	Agencies	Expense (Millions)	Agencies	Expense (Millions)	Agencies	Expense (Millions)
1987	154	\$93.5	54	\$13.4	57	\$38.9	43	\$41.3
1991	167	168.4	47	18.3	69	78.6	51	71.5
1996	193	243.8	43	24.9	82	147.2	68	71.7
1997	191	266.0	41	26.0	81	159.5	69	80.5

NET REVENUE

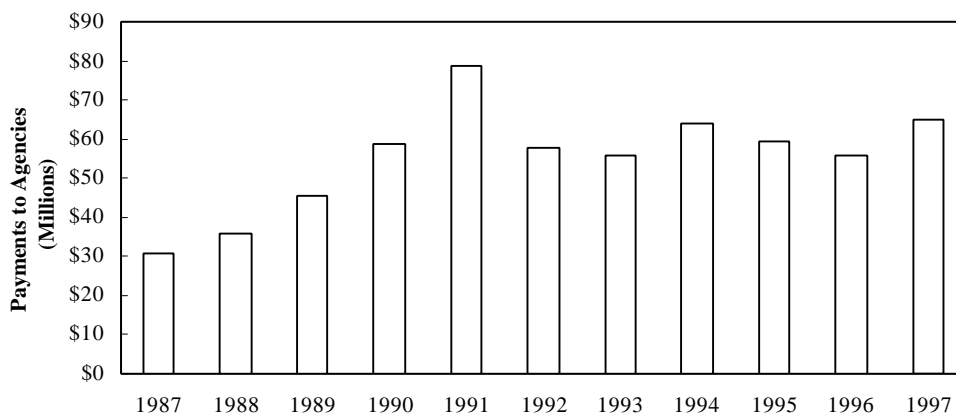
Year	Statewide		Ownership of Agency					
			Governmental		Nonprofit		Proprietary	
	Agencies	Net Revenue (Millions)	Agencies	Revenue (Millions)	Agencies	Revenue (Millions)	Agencies	Revenue (Millions)
1987	154	(\$2.2)	54	(\$1.6)	57	(\$2.1)	43	\$1.5
1991	167	4.0	47	(1.3)	69	1.2	51	4.1
1996	193	(7.2)	43	(2.0)	82	(5.1)	68	(0.1)
1997	191	(11.9)	41	(2.9)	81	(9.4)	69	0.4

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Information in this table includes only agencies that provided total revenue and expense data. Three agencies did not provide financial data in 1987, and three did not provide it in 1991. All agencies reported financial data in 1996 and 1997.

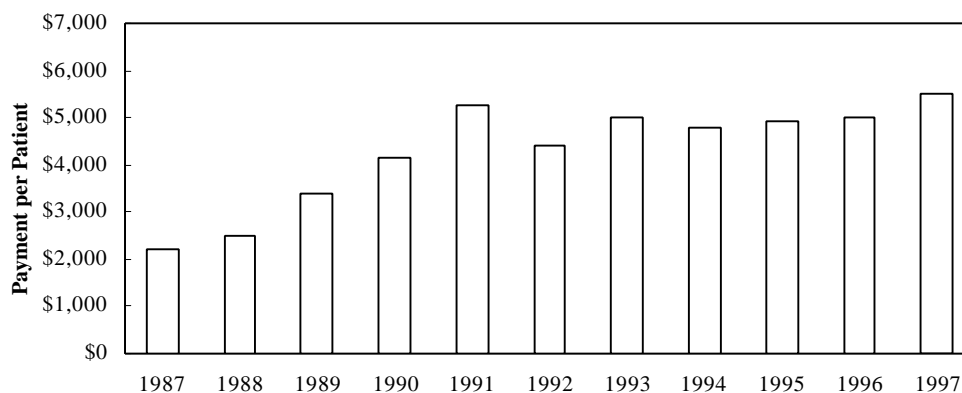
- As reported by home health agencies, Wisconsin Medicaid payments for home health care reached a record high of nearly \$79 million in 1991 (Figure 16). Wisconsin made changes in its Medicaid home health care policies in 1992; since then, Medicaid payments for home health care services have ranged from \$56 million to \$65 million annually.
- The average Medicaid payment per home health patient rose from 1987 to 1991 (\$5,200) (Figure 17). Payments were somewhat lower from 1992 through 1996, but rose again to \$5,500 in 1997.

Figure 16. Medicaid Payments as Reported by Home Health Agencies, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

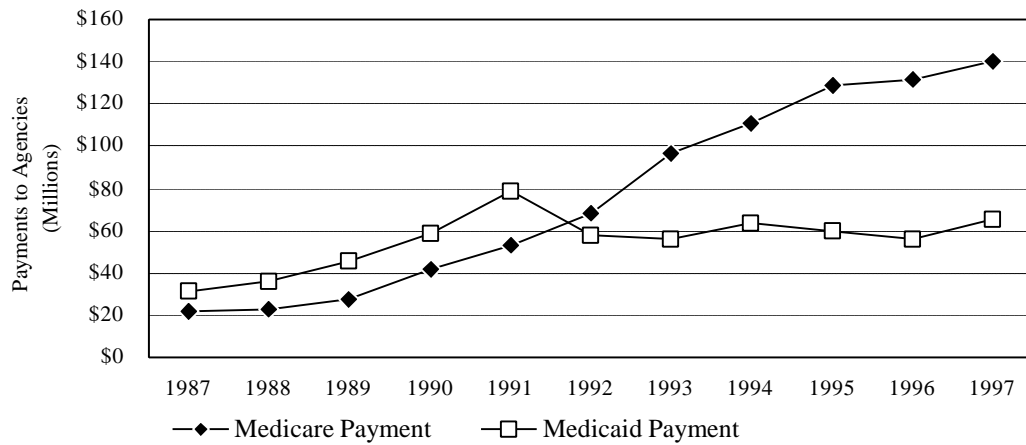
Figure 17. Medicaid Payment per Home Health Patient as Reported by Home Health Agencies, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

- Medicare payments to Wisconsin home health agencies increased 560 percent between 1987 and 1997 (Figure 18). Medicaid payments increased by 110 percent during the same period.

Figure 18. Medicare and Medicaid Payments as Reported by Home Health Agencies, Wisconsin 1987-1997



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.